GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:3030
ANSWERED ON:07.12.2001
CARPET TEXTILES EXPORTS
C. SREENIVAASAN;PUTTASWAMY GOWDA

Will the Minister of TEXTILES be pleased to state:

(a) whether the carpet industry has been adversely affected after the attack on world trade tower;

(b) if, so the total export orders of carpet which have been cancelled by different countries, country-wise;

(c) the losses suffered due to cancellation of orders;

(d) whether after the Afganisan war, America is offering its market to Pakistan and Indian Textiles and textile related industries have been badly hit; and

(e) if so, the steps Government propose to take in this regard to save the interest of the industry?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V. DHANANJAYA KUMAR)

(a): Yes, Sir.

(b): Export orders cancelled can not be quantified in the absence of actual details. Such data is not maintained.

(c): In the absence of actual data, authentic figures can`t be given. However, it is estimated that losses may be over Rs.300 crores.

(d): No special concessions have been granted by US to Pakistan so far.

A declining trend has been noticed in the textile exports since the beginning of year 2001, which is mainly due to general slowdown in the economies of some of our major trading partners like US. This trend got accentuated due to September 11 attacks and Afghanistan war.

(e): Government have been taking steps from time to time to increase the cost competitiveness of our products in the international market and to save the interest of the industry. Some of the important initiatives are listed below.

(1) The Technology Upgradation Fund Scheme (TUFS) is being implemented to facilitate the modernisation and upgradation of textile sector so that it can become more competitive in international trade. Inter Ministerial Committee to resolve the issues pertaining to assistance under TUFS has been constituted.

(2) Weaving, processing and garment machinery, which are covered under TUFS, have been extendedthe facility of accelerated depreciation at the rate of 50%.

(3) National Institute for Fashion Technology (NIFT), its six branches, Apparel Training & Design Centres (ATDCs) and Indian Institute of Carpet Technology (I.I.C.T.) are running various courses/programmes to meet skilled manpower requirements of textile, Carpet and Apparel industry.

(4) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought to 5%.

(5) Allowing foreign equity participation upto 100% through automatic route, in the textile sector with certain exceptions.

(6) To prepare and sensitise our textile and garment industry to conform to the ecological requirements of import countries by providing facilities by way of eco-testing laboratories.

(7) The National Textile Policy - 2000 (NTxP-2000) is being implemented to provide the policy direction for orderly and sustained development and growth of the textile industry in a harmonious way and to give a thrust to textile exports.

(8) DEPB rates for certain textile products have been rationalized.